Testimony of Daniel S. Tanaka before the Legislative Oversight Committee of the New Mexico Finance Authority

October 11, 2012

Investigative summary

On July 13, 2012, the State of New Mexico Securities Division learned of the existence of a fraudulent audit report that had previously been released to investors, the public, and other entities by the New Mexico Finance Authority (NMFA). The Securities Division immediately began to investigate the allegations surrounding the creation and filing of the fraudulent audit.

Under the authority of the New Mexico Finance Authority Act, one of the financing mechanisms utilized by the NMFA to raise capital involves the issuance of municipal bonds for sale to investors. As a "bond" is statutorily defined as a security, fraud in connection with the sale of a bond would fall within the jurisdiction of the Securities Division.

On Friday, July 13, 2012, a Division staff member accessed the NMFA website so as to download and review the Financial Statements of the NMFA. The financial statements for fiscal years ending June 30, 2011 and 2010 were examined. It was determined that the June 30, 2011 financial statements included misstated figures and did not include proper disclosures. The documents examined included an audit report that claimed to be issued by Clifton Gunderson LLP (since merged to become CliftonLarsonAllen LLP).

Following confirmation by our analyst that the audit report was fraudulent, the Securities Division began an in-depth investigation of the events surrounding the creation and dissemination of the audit report and its impacts. The Securities Division has performed numerous interviews of current and former NMFA employees, NMFA Board Members, employees of the audit firm engaged to perform the fiscal year 2011 audit, and others. The interviews were audio recorded. The Securities Division also applied for and served numerous Grand Jury Subpoenas to banks, rating agencies, accounting firms and securities self-regulatory organizations. On August 1, 2012, the Securities Division applied for and executed a search warrant at 207 Shelby Street in Santa Fe (offices of the NMFA) for the purposes of collecting evidence of criminal activity. Securities Division personnel have examined thousands of pages of documents, emails, and electronic evidence relevant to this case. Elements of the investigation are on-going at this time. In addition, we are preparing for Gregory Campbell's possible trial.

On July 20, 2012, I contacted Gregory Campbell, the former controller of the NMFA, and requested that Campbell consent to a voluntary interview the following morning. Campbell agreed to be interviewed on Saturday, July 21, 2012 at 10:00 hours at the offices of the Regulation and Licensing Department in Albuquerque, NM. Campbell arrived as agreed and was interviewed for approximately five (5) hours. Additionally, Campbell consented to two voluntary follow-up interviews. Any statements I attribute to Campbell are summarized from the interviews and are not comprehensive accounts of the statements made.

Clifton Gunderson LLP was engaged to perform audit services for the New Mexico Finance Authority. The engagement letter or contract for services, dated May 9, 2011, was signed by John Duff, acting Chief Executive Officer, on August 9, 2011. J. Michael Stephens, Audit Partner at CliftonLarsonAllen LLP, formerly Clifton Gunderson LLP, was assigned as the partner-in-charge of this engagement.

Securities Division personnel met with J. Michael Stephens on July 16, 2012 and interviewed Stephens telephonically on July 25, 2012. During both instances, Stephens stated he did not issue an audit report or financial statements for the NMFA for the fiscal year 2011. He also stated that no member of his staff or firm issued an audit report or financial statements for the NMFA for fiscal year 2011.

During interviews, Campbell stated he created the forged auditor's reports between the dates of January 9, 2012 and February 3, 2012. Campbell further stated he received draft financial statements from a Senior Accountant at CliftonLarsonAllen LLP, formerly Clifton Gunderson LLP, on July 27. Campbell indicated the fiscal year 2011 numbers were not included in this draft, which is common practice during an audit. Campbell populated the draft with financial information for fiscal year 2011 and changed the issue date to December 10, 2011. Campbell then printed the now complete Word document as a PDF file. This document now contained financial information for fiscal year 2011, but did not contain signatures on the auditor's reports. Campbell stated he obtained the audit reports from the fiscal year 2010 audit and "copied and pasted" the letterhead and signatures onto a printed copy of the PDF file. Campbell stated he then copied the entire report and scanned it into a PDF file in order to disseminate copies of the financial statements and forged reports to both external and internal recipients.

Evidence obtained and seized during the search warrant revealed the first known instance the forged report was transferred to another person. On December 13, 2011, a staff member at the Department of Finance and Administration emailed Campbell requesting a copy of the draft 2011 financial statements. Campbell did not respond. The DFA staff member emailed Campbell again on December 28, 2011 requesting the draft financial statements. The staffer stated, "it looks like it hasn't been submitted to the State Auditor's Office yet. Please let me know." On January 3, 2012, the same staffer emailed Campbell requesting the name and address of the audit firm. On January 5, 2012, the staffer emailed John Duff stating she has had difficulty obtaining a response from Campbell regarding the audited financial statements. Duff forwarded the email to Campbell on January 5, 2012, asking Campbell to provide the information. On January 9, 2012, Campbell emailed the staffer the financial statements; however those statements were not the forged audit report.

On January 26, 2012, the DFA staffer emailed Campbell, Duff and Richard May, Chief Executive Officer of the NMFA. She stated, "I am looking for an update on the 2011 audit. I haven't received an update and the State Auditor's Office does not have any info your [sic] NMFA. We need the entire draft to complete the CAFR. Please let me know, I may have to reschedule the auditor's arrival because the CAFR is still missing the complete information for NMFA." Richard May communicated to the staffer via email that Campbell would get the information to her. On February 3, 2012, Campbell emailed the DFA staffer a copy of the financial statements and the forged audit reports. Campbell confirmed during an interview that he sent this email.

Securities Division personnel downloaded the State of New Mexico's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2011 from the Department of Finance and Administration's website. The CAFR is the audited financial statements for the entire State of New Mexico, including all funds and component units. The Independent Auditor's Report included in the CAFR states that the auditors relied on the information included in the NMFA's forged auditor's report to complete their work on the State's CAFR.

Securities Division personnel also observed that the financial statements and forged auditor's reports were still available for viewing on the NMFA's website on July 13, 2012. Securities Division personnel contacted an information technology employee for the NMFA, on July 24, 2012, to determine when the report was uploaded to the website. NMFA's IT staff told us that the report was uploaded on March 12, 2012. The staffer provided the Securities Division with evidence showing the upload. Once the financial statements and the forged audit reports were posted on the website, the documents were available for public viewing by anyone able to access the website. In an interview with Michael Zavelle, Chief Financial Strategist for the New Mexico Finance Authority, Zavelle stated he unwittingly uploaded the forged documents after receiving them via email from Campbell. Zavelle further stated he referred ratings agencies, individual investors and institutional investors to the website to obtain financial information regarding the Authority. Examination of emails obtained during the search warrant confirmed that Campbell had emailed Zavelle on March 12, 2012. The forged documents were attached to the email. Campbell also confirmed he sent this email during an interview.

Examination of emails obtained during the search warrant further revealed that Campbell had sent an email to Brad Patterson, Partner at Ballard Spahr, LLP, outside legal counsel used to prepare disclosures related to bond sales. In the email from Campbell, dated March 12, 2012, states, "Attached are the FY 2011 financial statements for inclusion in the POS for the 2012a PPRF Senior Lien Bonds." The financial statements and forged audit reports were attached to the email. "POS" stands for Preliminary Official Statement. Examination of the Preliminary Official Statement revealed the financial statements and forged audit reports were included as Attachment (A). A Preliminary Official Statement contains information and disclosures that are relevant to potential investors determining whether or not to invest in a bond offering.

An online computer based bond information clearinghouse known as “Electronic Municipal Market Access” (EMMA) was accessed by Division personnel. The information on EMMA is presented in a manner specifically tailored for retail, non-professional investors who may not possess the expertise necessary to make suitable investment decisions.

It was discovered on the EMMA system that the NMFA’s underwriter, on behalf of the NMFA, sent the financial statements and forged audit reports to EMMA (Electronic Municipal Market Access) as Attachment (A) as part of the Official Statement disclosures connected to the offering of $24,340,000.00 in Bonds, SERIES 2012A. According to EMMA’s document archives, the Official Statement and information from the NMFA was posted to the EMMA website on April 3, 2012.

Further investigation into the Official Statement revealed that the $24M bond sale entitled SERIES 2012A was ultimately sold in its entirety to Hutchinson, Shockey, Erley and Company (the Purchaser) pursuant to a competitive bidding process held on March 22, 2012.

Chip Pierce, of Western Financial Advisors is the contract financial advisor for the NMFA. Pierce assists in the process of financial disclosure as well as sales and marketing activity related to NMFA’s bond sales. Pierce reported that eight financial firms bid on the bonds listed for sale. According to Pierce, all the firms received the Preliminary Official Statement prior to bidding on the bond sale as part of the “bid package.” Additionally, email correspondence between Pierce and Campbell, Duff, and Zavelle corroborate this statement. The Preliminary Official Statement included Attachment (A), which consisted of the financial statements and forged audit report. The POS clearly misrepresented that the financial statements were audited, when in fact the audit was never completed.

During an interview with J. Michael Stephens of CliftonLarsonAllen, LLP, Stephens stated there is a lengthy procedure in place to procure and complete the financial statement audit process. The entity under audit is required to submit an auditor recommendation for the fiscal year audit to the State Auditor. Once the recommendation is approved by the State Auditor, the entity and the audit firm are required to complete a State of New Mexico Audit Contract, which is signed by appropriate entity personnel, the State Auditor’s Office, and a representative of the audit firm.

Additionally, the Audit Rule states “the IPA (independent public accountant) must hold an exit conference with representatives of the agency’s governing authority and top management including representatives of component units. If component unit representatives cannot attend the combined exit conference, a separate exit conference must be held with the component unit's governing authority and top management. The exit conference must be held in person; a telephone or web cam exit conference will not meet this requirement unless a telephonic or web cam exit conference is approved by the State Auditor prior to the exit conference. The date of the conference(s) and the names and titles of personnel attending must be stated in the last page of the audit report." J. Michael Stephens; Lonnie Marquez, Chair of Audit Committee; Brett Woods, Audit Committee Member; and John Duff, Chief Operating Officer of the New Mexico Finance Authority stated an exit conference was never held. The fraudulent report submitted by Campbell, falsely states an exit conference was held on December 10, 2011 with Stephens, Marquez, Woods, William Fulginiti, Duff and Campbell in attendance. Stephens further stated that his firm only completed approximately 65 to 70% of the required audit work.

Board meeting minutes for the Board meeting held on March 22, 2012 were reviewed. The minutes, specifically item 31 of the agenda, labeled "Audit Committee – Lonnie Marquez, Chair," state that Richard May (Chief Executive Officer of the NMFA) reported "the State Auditor has approved the NMFA audit with zero findings."

Auditing standards require the independent auditor to "obtain written representations from management as a part of an audit of financial statements performed in accordance with generally accepted auditing standards…. Such members of management normally include the chief executive officer and chief financial officer or others with equivalent positions in the entity." In other words, auditors aren't on the hook for false statements or misrepresentation – management is. In fiscal year 2010, the representation letter was signed by the Chief Executive Officer (William Sisneros at the time), the Chief Financial Officer (John Duff), and the Controller (Gregory Campbell). Stephens stated a representation letter was not received for fiscal year 2011, as the audit was never completed.

Examination of the FY '11 financial statements prepared by Campbell revealed they were materially misrepresented. During an interview with Campbell, he stated he reclassified $21,000,000 in reversions to the State's general fund, which occurred in fiscal year 2010, by reclassifying appropriation revenue as grant expenses. Campbell stated a reversion to the State's general fund, which occurred in fiscal year 2011 for $18,600,000, was reclassified as well. According to Campbell and per review of Senate Bill 182 and House Bill 2, the monies reverted in 2010 were reversions of amounts appropriated by the State in previous legislative session. According to Campbell, a review of Board Minutes, and also confirmed by several employee interviews, in 2011 the NMFA was approached by the Legislative Finance Committee staff to assist the State with a budget shortfall. The Legislative Finance Committee requested the reversion because the NMFA receives flow through revenues of Government Gross Receipts Taxes from the State. Campbell stated during an interview, that then CEO William Sisneros "volunteered" to provide $20,000,000 to the State General Fund. According to Campbell and other employees interviewed, the NMFA committed to reverting $18,600,000 in fiscal year 2011 and the remaining $1,400,000 in fiscal year 2012.

As you are well aware, seventy-five percent of the Governmental Gross Receipts Tax revenues are appropriated to the NMFA. According to Governmental Account Standards Board (GASB) Statement 33, this revenue is considered a non-exchange transaction, as it does not result from an exchange of goods and services. GASB 33 requires the appropriations of GGRT revenues to be recorded as revenue when it is received. If the appropriation is reverted, it is to be recorded as an expense.

The purpose of financial reporting is to provide users of financial statements with information that a reasonable person would need to make decisions regarding the entity. Therefore, the presentation of the information should be in a format that would provide information important to these users. In the case of the NMFA, this financial information would be used by bond purchasers when making a decision to purchase the bonds. It was stated by NMFA employees during interviews and at board meetings, that the disclosure of reversions to the general fund would be important to users of the financial statement, particularly rating agencies and bond purchasers.

During an interview, Campbell admitted this was not proper accounting treatment and that this reclassification would constitute a misrepresentation of the financial statements. Campbell stated he decided to reclassify the numbers when he was preparing the April 2011 monthly financial statements. Campbell stated that if he had not reclassified the reversion in that month that the appropriation revenue figure would be zero or negative and would “look really bad.” Campbell further stated he was unsure of the presentation, so he had a meeting with John Duff, who was acting CEO at the time and who was Campbell’s direct supervisor. Campbell stated the meeting took place in Duff’s office during the third week of May in 2011. Campbell stated he approached Duff and explained that he wanted to reclassify revenues. Campbell stated he explained to Duff that he could include the reversion as a reduction to appropriation revenue, which is how the prior year reversion was recorded, or he could reclassify it to grant expenses. Campbell stated he further explained to Duff that if the reversion were recorded as a reduction to revenues that the revenue figures would be zero or negative. Campbell stated that Duff told him he agreed with the reclassification. Campbell further stated that if Duff had disagreed with the reclassification, he would have recorded the revenues as Duff instructed.

Examination of board minutes and audio recordings of board meetings revealed Campbell presented the financial statements as of June 30, 2011 to the Board on August 11, 2011. Review of the audio recordings reveals that during his presentation Campbell discussed the differences between appropriation revenue between fiscal year 2011 and fiscal year 2010. Campbell stated on the recording, “…biggest differences is in our appropriation revenue and this is sort of a classification issue and I’m wrestling with it. Right now, in the previous year, last year, we had given back to the state 21 million in revenues we had received in prior years that the state was having reverted to meet shortfalls. When we did that, we reduced our revenue in that year. This year we had contributed to the state shortfall 18.4 million. I think a better classification for our revenues is to be current to what our revenues actually are and when we actually do make a reversion to reflect it as an expense item, so in the current year I reflected it in grant expense, since we granted it back to the State, as nice as we are. So that's the major difference in our numbers." The financial statements were accepted and approved by the Board with no questions. According to the minutes and audio recordings, John Duff was present at the Board meeting and had presented earlier in the meeting. During an interview, Campbell stated if the Board or Duff had directed him to change the classification he would have done as instructed.

During an interview with John Duff on August 3, 2012, Securities Division personnel asked Duff how reversions to the general fund should be treated. Duff stated if the reversions occur in the same year the revenue is received, the reversion should be recorded as a reduction to revenue.

Campbell acknowledged that the reversion of money back to the State General Fund was not in fact a "grant". Furthermore, Campbell represented that the decision to reclassify the reduction in appropriations revenue as "grant expense" was in fact a misrepresentation of the fiscal year 2011 financial statements as it did not reflect the true financial condition of the NMFA.

In 2010 and 2011, the reversions to the general fund were a result of budget crisis at the state level. The reversions were requested by the Legislative Finance Committee and were included in legislation. As such, the reversions were outside the control of management. The facts surrounding the reversions have been confirmed by employees of the NMFA and Legislative Finance Committee staff. These two years were the first occasions where the NMFA had to revert funds to the State and the budget crisis was an unusual situation. Based on these facts and the guidance from GASB 34, the reversions should have been recorded as a special item in the Statement of Revenues, Expenses and Changes in Net Assets. Inclusion of the reversions in grant expenses is a misrepresentation of the nature of expenses.

As a result of the NMFA's submission of the Official Statement related to the Bond offering entitled SENIOR LIEN PUBLIC PROJECT REVOLVING FUND REVENUE BONDS, SERIES 2012A, and including attachment (A) the misrepresented financial statements and forged audit reports, the NMFA has effectively placed forged and false documentation directly into the hands of current and/or potential investors.

Controls

During several interviews with Gregory Campbell, Campbell has admitted to producing the forged audit. However, there were not sufficient internal controls in place at the organization to prevent Campbell from forging the audit. Several of these lapses occurred at the level of Campbell's direct supervisor, John Duff. The following events related to the audit process demonstrate the lapses in internal controls at this level:

-Duff prepared a written timeline of events which was seized during the search warrant. The timeline states he was notified by Campbell that the audit was provided to the State Auditor's office by the required deadline. Duff would have been required to sign a management representation letter and Duff would have been required to attend an exit conference prior to the issuance of the report to the Office of State Auditor. Duff was involved in this process for the prior three years and signed the representation letter in the prior year.

-Duff stated during an interview he was aware of the requirement for an exit conference by the Audit Rule. However, an exit conference was never held.

-Duff was required to sign the IPA recommendation and the audit contract. He signed those documents in previous years.

-The forged audit falsely claimed that an exit conference was held on December 10, 2011. Duff had received a copy of the forged audit report in February 2012 and it had been reported to the Board in March 2012 that the State Auditor's Office had accepted the audit. However, Duff was present during a proposed exit conference in April 2012. The external auditor was not present at the exit conference. Campbell later admitted that the supposed exit conference was for show only as the external auditor had never actually been invited to participate. This exit conference took place four months after the audit was allegedly issued and two months after Duff had been provided with a copy of the forged audit.

-Duff stated he reviewed the fraudulent report in February 2012. Duff further stated this was a "high level" review. At this time, he did not notice any of the errors in balances, disclosure or formatting. A "high level" review of the corporation's audit by a senior member of management is at best inadequate. Reviewing the audit requires thorough attention to detail. In contrast, a review conducted by a forensic accountant on my staff uncovered several serious red flags within ten minutes of being handed the document.

-Duff was aware of the federal filing requirement for fiscal year 2010 and assisted in the filing of the audit to the Federal Audit Clearinghouse. There was no communication with Campbell regarding this filing deadline for fiscal year 2011. This was confirmed by reviewing emails and during interviews with Campbell.

As previously stated, management is responsible for presenting the financial statements of the entity in accordance with GAAP. Based on interviews with NMFA employees, Duff acted in the role of Chief Financial Officer and supervised the Controller. As such, it would be the responsibility of the Chief Financial Officer to review and research any changes to balances or reclassification of balances to determine if the changes and/or classifications are appropriate. This internal control would prevent the issuance of financial statements which contain a misclassification of expenses.

As part of his role as DFA Secretary, Richard May served on the Board of the New Mexico Finance Authority. May would have been involved in the exit conference and would have been required to sign the representation letter had an audit been completed for fiscal year 2011. May has stated during interviews that he was not familiar with the audit process or the financial statements of the NMFA. While it is not the Chief Executive Officer's responsibility alone to ensure the timeliness and accuracy of financial reporting, it is the Chief Executive Officer's responsibility to ensure he understands the reporting process and that major deadlines are met. The Chief Executive Officer is a key member of management of any organization. Accounting standards [AU Section 380.03 (b)] state:

> "*Management* means the person(s) responsible for achieving the objective of the entity and who have the authority to establish policies and make decisions by which those objectives are to be pursued. Management is responsible for the financial statements, including designing, implementing, and maintaining effective internal control over financial reporting."

May's lack of understanding of the audit process and financial reporting procedures resulted in a lapse of internal control structure which allowed the forged audit report to be disseminated to the public.

Additionally, the Board of Directors of the NMFA has a designated audit committee. Audit committee members are typically required to communicate with the external auditors regarding timing and scope of the audit and are required to report any issues with the audit. Having this oversight is an important part of the internal control structure, as it prevents management from manipulating the audit or financial statements. The Audit committee met only sporadically between June of 2011 and April of 2012, even though the external audit was being conducted. The Audit committee did not meet at all in December of 2011, even though the audit was due at that time. Additionally, there was no discussion of the audit recorded in the Board minutes from September of 2011 until March of 2012, even though the audit was due in December of 2011. Based on interviews with NMFA employees and Board members, the audit was a routine discussion in years previous, however, no members of the Board or Audit committee made any inquiries into the fiscal year 2011 audit.

Auditing standards also require communication between the external auditor and "those charged with governance". These standards are in place as an internal control to assist in preventing fraud or error on the part of management. The lack of communication between the Board and management, and the Board and the external auditor represents a lapse in this internal control.

In addition to the lapse in internal controls in the NMFA itself, there was a lapse in external controls which would have prevented the issuance of the forged audit. The responsibility of the Board to communicate with the external auditor is noted above. However, the external auditor has an equal responsibility to communicate difficulties encountered during the audit with the Board. Auditing standards state [AU Section 380.39]:

> "The auditor should inform those charged with governance of any significant difficulties encountered in dealing with management related to the performance of the audit. Significant difficulties encountered during the audit may include such matters as:
> - Significant delays in management providing required information.
> - An unnecessarily brief time within which to complete the audit.
> - Extensive unexpected effort required to obtain sufficient appropriate audit evidence.
> - The unavailability of expected information.
> - Restrictions imposed on the auditors by management.
> - Management's unwillingness to provide information about management's plans for dealing with the adverse effects of the conditions or events that lead the auditor to believe there is substantial doubt about the entity's ability to continue as a going concern."

Employees of Clifton Gunderson communicated via email to Campbell in September of 2011 that they were waiting on Campbell to be able to complete the audit. Review of emails obtained during the search warrant revealed no other email communication between Clifton Gunderson or CliftonLarsonAllen and the NMFA between September of 2011 and July of 2012. During interviews, employees of the firm stated there was communication with members of NMFA management and the Board regarding the audit, however, I was unable to corroborate this information with actual emails or any statements by NMFA employees.

Additionally, the State Audit Rule [NMAC 2.2.2.9 A (5)] states:

> "As soon as the auditor becomes aware that circumstances exist that will make an agency's audit report late, the auditor shall notify the State Auditor and oversight agency of the situation in writing. There must be a separate notification for each late audit report. The notification must include a specific explanation regarding why the

report will be late, when the IPA expects to submit the report and a concurring signature by the agency."

Based on interviews with employees of the Office of the State Auditor, a written notification of a late audit was not received for the NMFA.

Conclusion: The NMFA released a fraudulent audit which contained misrepresentations of the financial balances of the company. This document was released for public consumption. The release of the forged audit not only represents criminal activity, but also represents a catastrophic systemic failure in the controls surrounding the audit process.

Some have argued that the misclassification of reversions to the State is nothing more than an "accounting goof" or mere negligence. Others have argued that the external audit isn't important. They've said that it's just a box that needs to be checked; that the forgery is really "no big deal" as nobody really looks at the audit documents.

Accounting standards and the law take a very different view. The Savings and Loan crisis of the late 1980s, the major accounting scandals of the early 2000s like Enron and WorldCom, and the subprime mortgage crisis of 2008 and beyond all have one thing in common: they were financial crises that were precipitated by fraud. And let's not forget that these were not frauds perpetrated by outsiders, they were all frauds perpetrated by insiders – by corporate officers with a legal responsibility to ensure the integrity of their operations.

In addition to the devastating financial losses suffered in each of the examples I just mentioned, there was an even more insidious result: the erosion of trust in the American financial markets. Fraud kills trust and we simply can't have efficient and robust financial markets if people won't trust their hard earned dollars to the system for fear of fraud.

What happened here is not much different. Senior management created an atmosphere which allowed fraudulent activity to flourish. The internal controls upon which investors and taxpayers depend completely failed. And although it doesn't appear that they looted the NMFA, they did steal the trust that New Mexicans had in its integrity.

The damage is done:

- Public projects have been delayed at a time when New Mexico really needs the practical and economic impact of those investments in our infrastructure.
- Investor confidence has been shaken. I have received calls from municipal bond fund managers all over the country and I can tell you that they certainly care about the forged audit and financial statement misclassifications.
- NMFA's credit rating is under review for possible downgrade and if that happens, it will increase the costs of borrowing for already cash strapped communities.

- Confidence in the integrity of the NMFA has been significantly eroded, mandating a necessary but costly forensic audit to determine whether other programs have been compromised.

The Securities Division's job is to investigate the matter and report the results of our inquiry. Our investigation is nearing completion and we expect to publish a report later this fall. It is our hope that this report will aid all of the NMFA's stakeholders as they determine the best way to move forward.

Thank you for your time and attention. I will now stand for any questions you may have.